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Congress of the United States
House of Representatives
Washington, DC 20515

COMMITTEE ON RULES
COMMITTEE ON APPROPRIATIONS
REGIONAL WHIP

December 12, 2022

The Honorable Gina Raimondo
Secretary of Commerce
U.S. Department of Commerce
1401 Constitution Ave NW
Washington, DC 20230

Dear Secretary Raimondo:

Thank you for your tireless work on supporting American manufacturing by reinvigorating competitiveness here at home. As the Department of Commerce begins implementing the CHIPS and Science Act, I respectfully urge you to allow American manufacturers, especially our small manufacturers, a fair shot at applying for opportunities within the CHIPS for America Fund so that we can support equitable economic development and job creation in the Inland Empire.

As you know, there are many components to semiconductor chip manufacturing. Within the semiconductor supply chain, many key or essential manufacturers are small businesses and, more importantly, American businesses that have the labor and materials for domestic production. Small American manufacturers can make important contributions to the semiconductor supply chain. However, like large and medium size companies, they need financial support to build the needed domestic capacity.

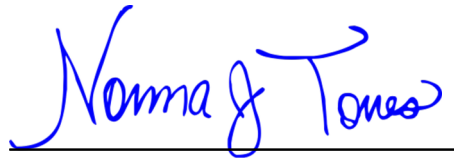
I have heard from a small business in my District that they are considering applying for a grant to build a facility that would convert recycled aluminum for other equipment manufacturers and semiconductor fabrication plants. The CHIPS for America Fund is a once in a generation opportunity for small businesses like this one to scale up and meet the demand of a revived American semiconductor industry. Not only would this small business be eligible, but they would also work in partnership with other industry leaders who rely on high-grade aluminum to produce the wafer where a semiconductor chip is created.

My concern also lies in the sourcing of materials abroad while the intent of the CHIPS and Science Act is to promote competitiveness here at home. As intended by Congress, it is imperative that the Department look to grant awards to American businesses that supply upstream materials to the semiconductor manufacturing supply chain, so we are boosting local communities. I am pleased to see the Department release a strategy for the CHIPS for America Fund, which details its intent to increase capacity for new manufacturing and support domestic semiconductor infrastructure by investing \$10 billion in funding, part of which is for suppliers to the industry.

With that said, as the Department develops the criteria for implementing the CHIPS Act incentive funding, and as you subsequently assess proposals, I encourage you to keep the capabilities and needs of small manufacturers in mind. These small businesses can help ensure a reliable and resilient source of US-produced inputs to the fabrication and packaging operations – helping to create a robust supply of materials and components and avoid gaps in the domestic supply chain.

Thank you for your consideration and for the work you and the Administration are doing to implement this critical legislation.

Sincerely,

A handwritten signature in blue ink that reads "Norma J. Torres". The signature is fluid and cursive, with the first name "Norma" and last name "Torres" clearly legible. A horizontal line is drawn across the signature.

Norma J. Torres
Member of Congress